

CERTIFICATION OF ENROLLMENT

**ENGROSSED HOUSE BILL 2015**

Chapter 369, Laws of 1999

56th Legislature  
1999 Regular Session

YEAR 2000 FAILURES--LIABILITY

EFFECTIVE DATE: 5/17/99

Passed by the House April 23, 1999  
Yeas 96 Nays 0

CLYDE BALLARD  
**Speaker of the House of Representatives**

FRANK CHOPP  
**Speaker of the House of Representatives**

Passed by the Senate April 15, 1999  
Yeas 44 Nays 4

BRAD OWEN  
**President of the Senate**

Approved May 17, 1999

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

We, Dean R. Foster and Timothy A. Martin, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 2015** as passed by the House of Representatives and the Senate on the dates hereon set forth.

DEAN R. FOSTER  
**Chief Clerk**

TIMOTHY A. MARTIN  
**Chief Clerk**

FILED

May 17, 1999 - 3:35 p.m.

**Secretary of State  
State of Washington**

---

ENGROSSED HOUSE BILL 2015

---

AS AMENDED BY THE SENATE

Passed Legislature - 1999 Regular Session

State of Washington                      56th Legislature                      1999 Regular Session

By Representatives Radcliff, Wolfe, Lambert, Romero, DeBolt, Morris, Constantine, Ruderman, D. Schmidt, Crouse, Carrell, Poulsen, Miloscia and Rockefeller; by request of Department of General Administration and Department of Information Services

Read first time 02/12/1999. Referred to Committee on Judiciary.

1            AN ACT Relating to restricting liability for harm caused by  
2 incorrectly calculated or interpreted dates associated with year 2000  
3 date-changes processed by electronic computing devices; adding a new  
4 section to chapter 4.22 RCW; adding a new section to chapter 4.24 RCW;  
5 adding a new section to chapter 48.18 RCW; adding a new section to  
6 chapter 51.04 RCW; adding a new section to chapter 82.32 RCW; adding a  
7 new section to chapter 84.56 RCW; providing expiration dates; and  
8 declaring an emergency.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10            NEW SECTION.    **Sec. 1.** A new section is added to chapter 4.22 RCW  
11 to read as follows:

12            (1) The definitions in this section apply throughout this section  
13 and sections 2 through 5 of this act.

14            (a) "Agency" means any state or local government board, commission,  
15 bureau, committee, department, institution, division, or tribunal in  
16 the legislative, executive, or judicial branch, including elective and  
17 legislative offices, institutions of higher education created and  
18 supported by state government, counties, cities, towns, special purpose  
19 districts, local service districts, municipal corporations, quasi-

1 municipal corporations, and political subdivisions of such agencies and  
2 corporations, and any officer, employee, or agent of these entities  
3 acting within the scope of the officer, employee, or agent's employment  
4 or duties. "Agency" does not include municipal electric or gas  
5 utilities formed under Title 35 RCW or electric public utility  
6 districts formed under Title 54 RCW.

7 (b) "Electric cooperative utility" means any nonprofit, member-  
8 owned cooperative organized under chapter 23.86 RCW and engaged in the  
9 business of distributing electric energy in the state.

10 (c) "Electric mutual utility" means any nonprofit, member-owned  
11 corporation or association organized under chapter 24.06 RCW and  
12 engaged in the business of distributing electric energy in the state.

13 (d) "Electronic computing device" means any computer hardware or  
14 software, computer chip, embedded chip, process control equipment, or  
15 other information system used to capture, store, manipulate, or process  
16 data, or that controls, monitors, or assists in the operation of  
17 physical apparatus that is not primarily used as a computer, but that  
18 relies on automation or digital technology to function, including but  
19 not limited to vehicles, vessels, buildings, structures, facilities,  
20 elevators, medical equipment, traffic signals, factory machinery, and  
21 the like.

22 (e) "Public service provider" means any municipal electric or gas  
23 utility formed under Title 35 RCW, electric public utility district  
24 formed under Title 54 RCW, electrical company, as defined in RCW  
25 80.04.010, gas company, as defined in RCW 80.04.010, electric  
26 cooperative utility, and electric mutual utility.

27 (f) "Year 2000 failure" means with respect to an electronic  
28 computing device, a computing failure that prevents such electronic  
29 computing device from accurately interpreting, producing, computing,  
30 generating, accounting for, processing, calculating, comparing, or  
31 sequencing date or time data from, into, or between the years 1999 and  
32 2000, or with regard to leap year calculations.

33 (2) In any action against an agency or public service provider,  
34 whether based in tort, contract, or otherwise, for damages caused in  
35 whole or in part by computational or interpretive errors generated by  
36 an electronic computing device in connection with a year 2000 failure:

37 (a) Any liability shall be several, not joint, and the liability  
38 shall be determined as a percentage of fault in a manner consistent  
39 with RCW 4.22.070; and

1 (b) Agencies as defined in this section shall have no liability for  
2 the first one hundred dollars of damages per claimant that would  
3 otherwise be owed by the agency.

4 (3) This section shall not apply to any action for damages arising  
5 from bodily personal injury, or to wrongful death and survival actions  
6 under chapter 4.20 RCW or RCW 4.24.010.

7 (4) This section does not apply to any claim or cause of action  
8 filed after December 31, 2003.

9 (5) This section expires December 31, 2009.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 4.24 RCW  
11 to read as follows:

12 (1) A person has an affirmative defense to any claim or action,  
13 based on a contract, brought against the person if he or she  
14 establishes that:

15 (a) The default, failure to pay, breach, omission, or other  
16 violation that is the basis of the claim against him or her was caused,  
17 in whole or in part, by a year 2000 failure associated with an  
18 electronic computing device;

19 (b) The year 2000 failure being asserted was not proximately caused  
20 by a failure of the person to update an electronic computing device,  
21 that is under his or her dominion or control, to be year 2000  
22 compliant; and

23 (c) If it were not for the year 2000 failure, the person would have  
24 been able to satisfy the contractual obligation that was the basis of  
25 the claim.

26 (2) If an affirmative defense as set forth in subsection (1) of  
27 this section is established, then the person or entity making the claim  
28 may not reassert the claim against which the affirmative defense was  
29 asserted for a period of thirty days from the date on which the court  
30 dismissed the case as a result of the affirmative defense. Any statute  
31 of limitations applicable to the claim shall be tolled for forty-five  
32 days upon the dismissal of the case under this section.

33 (3) The dismissal of an action as the result of the affirmative  
34 defense under this section does not impair, extinguish, discharge,  
35 satisfy, or otherwise affect the underlying obligation that is the  
36 basis of the claim against which the affirmative defense was asserted.  
37 However, the ability of a party to bring the claim based upon the  
38 obligation is delayed as set forth in subsection (2) of this section.

1 (4) A person who has established an affirmative defense as set  
2 forth in subsection (1) of this section may dispute directly with a  
3 credit reporting agency operating in this state any item of information  
4 in the person's consumer file relating to the subject of the  
5 affirmative defense. The dispute shall be filed in accordance with RCW  
6 19.182.090(6). If requested by the person under this subsection (4),  
7 the credit reporting agency shall furnish a statement, made in  
8 accordance with RCW 19.182.090(7), to the person and include the  
9 statement in the person's consumer file. The credit reporting agency  
10 may not charge the person a fee for the inclusion of this statement in  
11 the person's consumer file.

12 (5)(a) The definitions in section 1 of this act apply to this  
13 section unless the context clearly requires otherwise.

14 (b) As used in this section, unless the context clearly requires  
15 otherwise, "person" means a natural person or a small business as  
16 defined in RCW 19.85.020.

17 (6) This section does not affect those transactions upon which a  
18 default has occurred before any disruption of financial or data  
19 transfer operations attributable to a year 2000 failure.

20 (7) This section does not apply to or affect any contract that  
21 specifically provides for a year 2000 failure.

22 (8) This section does not apply to any claim or cause of action  
23 filed after December 31, 2003.

24 (9) This section expires December 31, 2006.

25 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.18 RCW  
26 to read as follows:

27 (1) An insurer shall reinstate back to the effective date of  
28 cancellation, with no penalties or interest, any personal lines  
29 insurance policy, subject to this chapter, that was canceled for  
30 nonpayment of premium, if the named insured:

31 (a) Provides notice to the insurer, no later than ten days after  
32 the effective date of cancellation, that the failure to pay the premium  
33 due for the insurance policy is caused by a year 2000 failure  
34 associated with an electronic computing device that is not under the  
35 named insured's dominion or control;

36 (b) Establishes that a year 2000 failure occurred and that if it  
37 were not for the year 2000 failure, the named insured would have been  
38 able to pay the premium due in a timely manner;

1 (c) Makes a premium payment to bring the insurance policy current  
2 as soon as possible, but no later than ten days after the year 2000  
3 failure has been corrected or reasonably should have been corrected.

4 (2) If the named insured fails to pay the premium due within ten  
5 days after the year 2000 failure has been corrected or reasonably  
6 should have been corrected, the insurer's previous notice of  
7 cancellation for nonpayment of premium remains effective.

8 (3)(a) The definitions in section 1 of this act apply to this  
9 section unless the context clearly requires otherwise.

10 (b) As used in this section, unless the context clearly requires  
11 otherwise, "named insurer" means a natural person or a small business  
12 as defined in RCW 19.85.020.

13 (4) This section does not effect the cancellation of any insurance  
14 policy that is unrelated to a year 2000 failure, or occurs before any  
15 disruption of financial or data transfer operations attributable to the  
16 year 2000 failure.

17 (5) This section does not apply to any claim or cause of action  
18 filed after December 31, 2003.

19 (6) This section expires December 31, 2006.

20 NEW SECTION. **Sec. 4.** A new section is added to chapter 51.04 RCW  
21 to read as follows:

22 (1) No interest or penalties shall be imposed on any employer  
23 because of the failure to pay any premium required by this title to be  
24 made to the state treasury for the accident fund, the medical aid fund,  
25 the supplemental pension fund, or any other fund created under this  
26 title if the employer establishes that:

27 (a) The failure to pay was caused, in whole or in part, by a year  
28 2000 failure associated with an electronic computing device;

29 (b) The year 2000 failure being asserted was not proximately caused  
30 by a failure of the employer to update an electronic computing device,  
31 that is under his or her dominion or control, to be year 2000  
32 compliant; and

33 (c) If it were not for the year 2000 failure, the employer would  
34 have been able to satisfy the payment of premiums in a timely manner.

35 Payment of such premiums shall be made within thirty days after the  
36 year 2000 failure has been corrected or reasonably should have been  
37 corrected.

1 (2)(a) The definitions in section 1 of this act apply to this  
2 section unless the context clearly requires otherwise.

3 (b) As used in this section, unless the context clearly requires  
4 otherwise, "employer" means a natural person or a small business as  
5 defined in RCW 19.85.020.

6 (3) This section does not affect those transactions upon which a  
7 default has occurred before any disruption of financial or data  
8 transfer operations attributable to a year 2000 failure.

9 (4) This section does not apply to any claim or cause of action  
10 filed after December 31, 2003.

11 (5) This section expires December 31, 2006.

12 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.32 RCW  
13 to read as follows:

14 (1) Notwithstanding any other provision in this chapter, no  
15 interest or penalties may be imposed on any person because of the  
16 failure to pay excise taxes on or before the date due for payment if  
17 the person establishes that:

18 (a) The failure to pay was caused, in whole or in part, by a year  
19 2000 failure associated with an electronic computing device;

20 (b) The year 2000 failure being asserted was not proximately caused  
21 by a failure of the person to update an electronic computing device,  
22 that is under his or her dominion or control, to be year 2000  
23 compliant; and

24 (c) If it were not for the year 2000 failure, the person would have  
25 been able to satisfy the payment of taxes in a timely manner.

26 Payment of such taxes shall be made within thirty days after the  
27 year 2000 failure has been corrected or reasonably should have been  
28 corrected.

29 (2)(a) The definitions in section 1 of this act apply to this  
30 section unless the context clearly requires otherwise.

31 (b) As used in this section, unless the context clearly requires  
32 otherwise, "person" means a natural person or a small business as  
33 defined in RCW 19.85.020.

34 (3) This section does not affect those transactions upon which a  
35 default has occurred before any disruption of financial or data  
36 transfer operations attributable to a year 2000 failure.

37 (4) This section does not apply to any claim or cause of action  
38 filed after December 31, 2003.

1 (5) This section expires December 31, 2006.

2 NEW SECTION. **Sec. 6.** A new section is added to chapter 84.56 RCW  
3 to read as follows:

4 (1) Notwithstanding any other provision in this chapter, no  
5 interest or penalties may be imposed on any person because of the  
6 failure to pay real or personal property taxes on or before the date  
7 due for payment if the person establishes that:

8 (a) The failure to pay was caused, in whole or in part, by a year  
9 2000 failure associated with an electronic computing device;

10 (b) The year 2000 failure being asserted was not proximately caused  
11 by a failure of the person to update an electronic computing device,  
12 that is under his or her dominion or control, to be year 2000  
13 compliant; and

14 (c) If it were not for the year 2000 failure, the person would have  
15 been able to satisfy the payment of taxes in a timely manner.

16 Payment of such taxes shall be made within thirty days after the  
17 year 2000 failure has been corrected or reasonably should have been  
18 corrected.

19 (2)(a) The definitions in section 1 of this act apply to this  
20 section unless the context clearly requires otherwise.

21 (b) As used in this section, unless the context clearly requires  
22 otherwise, "person" means a natural person or a small business as  
23 defined in RCW 19.85.020.

24 (3) This section does not affect those transactions upon which a  
25 default has occurred before any disruption of financial or data  
26 transfer operations attributable to a year 2000 failure.

27 (4) This section does not apply to any claim or cause of action  
28 filed after December 31, 2003.

29 (5) This section expires December 31, 2006.

30 NEW SECTION. **Sec. 7.** This act is necessary for the immediate  
31 preservation of the public peace, health, or safety, or support of the  
32 state government and its existing public institutions, and takes effect  
33 immediately.

Passed the House April 23, 1999.

Passed the Senate April 15, 1999.

Approved by the Governor May 17, 1999.

Filed in Office of Secretary of State May 17, 1999.